



# Memorandum

**TO: HONORABLE MAYOR AND  
CITY COUNCIL**

**FROM:** Councilmember Sam Liccardo

**SUBJECT: COMMUNITY CENTER RE-  
USE UPDATE AND RFP  
RECOMMENDATIONS--  
PROPOSED SUSPENSION OF  
RFP REQUIREMENTS OF  
COUNCIL POLICY 7-12**

**DATE:** March 26, 2010

**APPROVED:**

3-26-10

## RECOMMENDATION

Adopt Staff recommendations, but with the following changes:

1. For a period of 12 months, beginning immediately, suspend any formal Request for Services ("RFP," "RFI," and "RFQ") requirements within Council Policy 7-12, the Community Center Re-Use Policy, to allow the City to enter into direct negotiations on a "sole-source" basis ("sole-source") as to any community center or other "re-use-able" community asset to an eligible non-profit organization or other operator.
  - a. The City Manager should instead employ Municipal Code Section 4.12.235, "Unique Services Purchases," to use a more streamlined approach where, as here, "an unusual or unique situation exists that make the application of the requirements for competitive procurement of a services agreement contrary to the public interest."
2. While at a minimum, guaranteeing funding for full City staffing at every "hub center" in the 2010-2011 budget, invite sole source negotiations for any providers interested in any community, neighborhood, or satellite center, including the "hub" centers. The negotiations shall include a community outreach process and input from the respective Council office for any center that is the subject of the negotiations.
  - a. Potential operators will be given substantial latitude to determine the set of services that they will provide to the general public, but will be encouraged to provide a pre-determined minimum set of services, subject to final approval by the City
  - b. Potential operators will be given wide latitude to set a schedule of fees-for-service, but subject to final approval by the City
3. In the event there is a successful negotiation for the "re-use" of a "hub center", the City staff from that "hub center" shall be transferred to those centers which serve "highest-need" populations or neighborhoods, so as to have the greatest impact on improving public safety.

- a. Criteria will be established that ensure that funds are re-directed to those communities with the greatest needs, as determined by such data such as median income, the percentage/ number of at-risk youth, number of seniors dependent upon supplemental nutrition programs, and consistent attendance figures.
  - b. The City Manager shall also consider fiscal criteria in its prioritization, particularly the extent to which the City can leverage the resources of other non-profit or for-profit partners to provide services or reduce overhead costs.
  - c. In consultation with the City Manager, the Neighborhood Services & Education Committee shall conduct an assessment of which measures might be used to prioritize City facilities based on a "highest-need" approach, prior to the release of any data.
4. During the budget process, the City Manager should report to City Council with a prioritization of the "top 10" community centers, and other neighborhood amenities among those currently slated for closure.
  - a. Any savings resulting from the successful negotiation with service providers will be re-directed to programs and centers based upon that priority list.
  - b. Recommendations should also be made at that time whether to redistribute any staff resources from any "hub" centers to centers serving "highest-need" centers.
5. Formally clarify and/or establish the ability of donors to contribute to programs at Community Centers, Senior Centers, or other non-park facilities through the recently-launched San José Parks Foundation.

## **DISCUSSION**

In this time of extraordinary scarcity, our allocation of our City's services forces us to intensify our focus on our core priorities. In repeated surveys, our residents have told us that "public safety" remains the top priority for their tax dollars. Many of the services provided through our Parks, Recreation, and Neighborhood Services (PRNS) Department serve the aim of preserving the safety and well-being of our residents, through such efforts and programs as gang prevention, after-school youth recreation, senior nutrition, and community-building in struggling neighborhoods. These services have the greatest impact on the safety in those less-affluent neighborhoods that face the greatest public safety challenges.

The imminent closure of dozens of community centers, pools, and other city facilities in July forces us to take a second look at our existing policies to determine whether they adequately prioritize the needs of our residents, and whether they best enable non-profit partners to join us in serving our community.

We are grateful for the diligent and competent efforts by Albert Balagso, Angel Rios, and the entire PRNS team to stretch scarce City dollars to provide as many high-quality services as possible. To some extent, however, we recognize that our fiscal situation leaves us with little choice between simply cutting entire programs and "pouring more water in the soup."

COUNCIL AGENDA:

ITEM 5.1:

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However, we can better leverage existing resources in the community. As City staff will readily admit, the existing RFP process appears unduly cumbersome, and its implementation has deterred viable non-profit and for-profit organizations from partnering with the City to provide services to our residents. The City cannot negotiate partial funding agreements through an RFP, and the process doesn't allow us to engage several providers concurrently to build coalitions that can provide a panoply of services.

At the Northside/ JT Siquig Community Center, we've endured three RFP's in the last four years, and only after the third RFP do we have a capable non-profit with broad community support ready to step in. One very well-respected non-profit partner was disqualified from consideration in that RFP because its application was submitted at 4 p.m., but the terms of the RFP required its submission by 3 p.m.. Nonprofits with diminishing resources cannot be bound by these kinds of bureaucratic hurdles.

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Particularly during this time of fiscal urgency, as proposals to shutter dozens of facilities await us in June, it seems an appropriate time to set aside the RFP process to enable the City to more nimbly engage with its community partners.